

TO: All Local Units of Government

FROM: Debra F. Minott,
State Personnel Director

DATE: May 26, 2006

RE: Health Insurance

DUE DATE: July 3, 2006

The Indiana State Personnel Department is pleased to once again extend our health, dental, and vision insurance plans to local units of government throughout Indiana. The State, at a minimum, intends to offer a high deductible health plan, an indemnity plan, an HMO, three dental options, and one vision plan. Information about the 2006 plans, including Benefit Plan Summaries and Certificates of Coverage, are available on our website at www.in.gov/jobs/openenrollment/lug.

We are currently opening the plans for participation in the 2007 plan year beginning January 1, 2007. All interested units, including those currently participating, must complete the on-line questionnaire and submit the requested preliminary data by **July 3, 2006**. *Failure to participate in the information exchange will preclude participation in the 2007 plan year.*

The on-line questionnaire can be accessed at www.in.gov/jobs/openenrollment/lug. In addition to completing the questionnaire, you will need to mail or fax the following information by July 3rd:

1. Census data, including age and gender of all eligible participants.
2. Identify each eligible participant, whether currently enrolled in single, employee/spouse, employee/children, or full family coverage.
3. Forward your most recent insurance carrier billing statements for medical, dental, and vision.
4. Copy of your current certificate(s) of coverage or policy(s).
5. Claim information if available; if not, complete and submit the gatekeeper questionnaire (also available on the website).

Indiana State Personnel Department
Benefits Division
402 W. Washington St., Rm W161
Indianapolis, IN 46204
Phone: 317-232-3083
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Local units should note the following requirements and conditions to participate:

1. A one-time fee of \$20 per member will be charged by the State Personnel Department. If necessary, arrangements can be made to spread the fee over a 12-month period. State Personnel has made every effort to streamline administrative processes making participation less difficult and more affordable.
2. A minimum contribution level from the local unit of government of at least 25% of the total premium.
3. A minimum participation rate of 75% of eligible employees.
4. One billing will be sent to each participating local unit of government. If there are eligible members not on the payroll such as retirees, or members on leave of absence, the carrier will be responsible for collecting the member premium.
5. Each local unit of government will establish a contact person for the carrier and the State Personnel Department.
6. The carrier provides ID cards, claim forms, and certificates of coverage.
7. Future renewals will be negotiated with the State, with a notice of benefits and rate changes being mailed to the local units of government.
8. Carriers will be allowed to collect a late payment fee from local units of government who do not pay premiums on a timely basis.
9. COBRA administration will be provided by Anthem for those local units of government who select an Anthem product.
10. Data must be provided by **July 3, 2006** in order to be eligible to participate in the 2007 plan year.
11. Local units may elect to participate annually.
12. Direct communications (enrollments, transmission of funds, etc.) will occur between the local employer and carriers.
13. Participating units will be required to sign a one-year binder agreement.
14. All employees of the various local units of government will comprise one group for rating purposes.

We look forward to this opportunity to partner with your local unit to provide quality insurance plans to your employees. Should you have any questions or concerns please feel free to contact our Benefits Division at 317-232-3083.